

Important Cost Considerations:

1. According to a 2006 University of Minnesota Report to CMS*, based on a study of data reported by six states, the following cost conclusion was drawn: “Controlling for level of ID; health, physical and sensory limitations; behavioral, psychiatric and autism diagnoses; gender and age; and type of residence, ICF/MR [settings were a] predictor of higher expenditures. . . . **after controlling for the many other variables related to cost, [they] predict only an additional 3.3% of variation in expenses.** - Page 91.
2. According to the same University of Minnesota study referenced above, **those receiving daily medical care are costlier to serve in community settings.** The average annual **medical** care costs were reported as:

ICF/MR - \$128,527 HCBS - \$137,483 -- Page 77.

Costs for medical care have grown since 2006, and while the actual figures are undoubtedly out of date, the concept is not. With medical care costs greatly outpacing those of other services, the reversed cost gap, for the medically fragile, between training centers and the community is likely to have increased.

3. Among the various training center populations, CVTC’s is, on average, the oldest, most disabled, and most medically needy. CVTC’s nursing/skilled nursing facility provides superior intensive medical care that is unique in the Commonwealth. **Many others at the state’s training centers, especially at CVTC, require daily nursing,** thus the potential for higher average costs in community settings is increased significantly.

What does the author of the DOJ deinstitutionalization strategy, Sam Bagenstos, say?

“(A)s deinstitutionalization advocates shifted their goals from rights to services, the cost gap between institutional and community services narrowed... it is reasonable to expect that the cost gap will shrink as people in the community receive more services.... Once private settings such as nursing homes...are thought of as institutions...the cost gap can narrow further or even in some cases reverse.” (*Nursing homes are even now considered institutions by CMS, as is the developing thought regarding higher capacity group homes.*)

* “Medicaid Home and Community-Based Services for Persons with Intellectual and Developmental Disabilities – Final Report, Prepared for the Centers for Medicare and Medicaid Services”, University of Minnesota Research and Training Center for Community Living, September, 2006